GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:4556
ANSWERED ON:19.12.2000
HINDUSTAN STEELWORKS COMPANY LIMITED
SUNIL KHAN

Will the Minister of STEEL be pleased to state:

(a) whether the Government propose to clear the backlog payment of Rs.135 crore of the workers of Hindustan Steelworks Company Ltd.; and

(b) if so, the time by which it is likely to be done?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) & (b): A Revival-cum-Restructuring Package, to make HSCL viable, was approved by the Cabinet Committee on Economic Affairs (CCEA) on 6th July, 1999. The implementation of various reliefs granted by the CCEA is underway. One of the important features of this package is the separation of 6000 employees through VRS. Government has provided Guarantee and full interest subsidy to HSCL for enabling it to raise a loan for Rs.318.36 crores from commercial banks for separation of 6000 employees. With the implementation of the aforesaid package and particularly with a substantially reduced manpower base, it is expected that the profitability of the Company will improve and it will be able to discharge its obligation towards its employees in terms of payment of salaries & wages & other statutory liabilities.